

Message Text

CONFIDENTIAL

PAGE 01 ISTANB 05032 211030Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00
DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 L-03 XMB-02
PM-05 H-01 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 /071 W
-----114280 211206Z /17

R 210846Z DEC 77
FM AMCONSUL ISTANBUL
TO SECSTATE WASHDC 9518
INFO AMEMBASSY ANKARA
AMEMBASSY ROME
AMCONSUL ADANA
AMCONSUL IZMIR

C O N F I D E N T I A L ISTANBUL 5032

ROME FOR CAA; DPT. PASS EXIM BANK

E.O. 11652: GDS
TAGS: EAIR, BEXP, TU
SUBJECT: TURKISH AIRLINES GENERAL MANAGER FIRED

1. TURKISH AIRLINES (THY) GENERAL MANAGER, NURETTIN ERGUVANLI, WAS FIRED BY THE FINANCE MINISTRY-APPOINTED THY BOARD OF DIRECTORS ON DECEMBER 16 AS A RESULT OF POLICY DIFFERENCES WHICH REPORTEDLY INCLUDE MANAGEMENT/BOARD CONFLICT REGARDING THY PURCHASES OF SOVIET-MADE AIRCRAFT.

2. INDUSTRY CONTACTS CONFIRM NEWSPAPER REPORTS THAT SOVIETS, IN WHAT APPEARS TO BE A CHANGE IN FORMER POLICY OF OFFERING ONLY CASH/CREDIT TERMS FOR YAK AIRCRAFT, RECENTLY OFFERED TO BARTER AIRCRAFT FOR TURKISH TOBACCO AND POSSIBLY OTHER AGRICULTURAL COMMODITIES. (NOTE: BOARD CHAIRMAN NIHAT KURSAT VISITED THE SOVIET UNION IN JULY, 1977, FOR "TECHNICAL STUDIES".) SOME (UNIDENTIFIED) THY BOARD MEMBERS OBJECTED TO THY MANAGEMENT'S REFUSAL TO CONSIDER THE SOVIET OFFER ON TECHNICAL/OPERATIONAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ISTANB 05032 211030Z

GROUND, AND REPORTEDLY BELIEVED THAT IT SHOULD BE SERIOUSLY EVALUATED AS A POSSIBLE SOLUTION TO THY'S CRITICAL EQUIPMENT SHORTAGE, WHICH HAS BEEN EXACERBATED BY THE AIRLINE'S DIFFICULT FINANCIAL POSITION AS WELL AS TURKEY'S FOREIGN EXCHANGE PROBLEMS.

3. FINANCE MINISTER BILGEHAN, REPORTEDLY UPON INSISTANCE OF TRANSPORTATION/COMMUNICATIONS (AND FORMER FINANCE) MINISTER

ERGEVEKON, CALLED A THY STOCKHOLDERS' MEETING FOR JAN. 5, 1978 WITH THE SOLE AGENDA ITEM ELECTION OF A NEW THY BOARD. (NOTE: FINANCE MINISTRY HOLDS 98 PERCENT OF THY STOCK). SINCE BOARD MEMBERS ARE IN EFFECT APPOINTED BY THE FINANCE MINISTER, BILGEHAN PRESUMABLY INTENDS TO PURGE THE BOARD OF "DISSIDENTS/ AND POSSIBLY TO REINSTATE ERGUVANLI.

4. COMMENT: THIS IS NOT THE ONLY SOURCE OF CONFLICT BETWEEN THY BOARD AND MANGEMENT, WHICH HAVE BATTLED FREQUENTLY ON SUCH ISSUES AS LABOR DISPUTES, GOT SUBSIDIES, AND VARIOUS OPERATIONAL QUESTIONS. FURTHER, THE SOVIET OFFER WAS NOT THE ONLY ONE TO BE REJECTED BY THY MANAGEMENT RECENTLY; REPORTEDLY THE AIRBUS MANUFACTURERS HAVE OFFERED CREDITS TO FACILITATE A LEASE/PURCHASE ARRANGEMENT. THE LATTER WAS REJECTED ON THE GROUNDS THAT THY COULD NOT OPERATE AND MAINTAIN SO DIVERSE A FLEET.
HOUGHTON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRLINES, MANAGERS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ISTANB05032
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770475-1006
Format: TEL
From: ISTANBUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771232/aaaabavs.tel
Line Count: 78
Litigation Code IDs:
Litigation Codes:
Litigation History: Hold (001 Tobacco) added on 4/16/2009 3:39:04 PM by WASHDCMcGoldRJ, Hold (001 Tobacco) removed on 4/16/2009 3:44:58 PM by WASHDCMcGoldRJ (Litigation Hold Lifted)
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 323016ff-c188-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 161194
Secure: OPEN
Status: NATIVE
Subject: TURKISH AIRLINES GENERAL MANAGER FIRED
TAGS: EAIR, BEXP, TU
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/323016ff-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009